

16

James O. Johnston (Cal. Bar No. 167330)
 Joshua D. Morse (Cal. Bar. No. 211050)
 JONES DAY
 555 South Flower Street, 50th Floor
 Los Angeles, California 90071
 Telephone: (213) 489-3939
 Facsimile: (213) 243-2539
 Email: jjohnston@jonesday.com
 jmorse@jonesday.com

*Attorneys for Franklin High Yield Tax-Free
 Income Fund and Franklin California High
 Yield Municipal Fund*

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

In re:	)	Case No. 12-32118
CITY OF STOCKTON, CALIFORNIA,	)	D.C. No. OHS-11
Debtor.	)	Chapter 9
	)	EXHIBITS A – B IN SUPPORT OF
	)	OBJECTION OF FRANKLIN HIGH
	)	YIELD TAX-FREE INCOME FUND
	)	AND FRANKLIN CALIFORNIA
	)	HIGH YIELD MUNICIPAL FUND
	)	TO CITY OF STOCKTON’S
	)	MOTION FOR AN ORDER
	)	APPROVING DISCLOSURE
	)	STATEMENT WITH RESPECT TO
	)	THE PLAN FOR THE
	)	ADJUSTMENT OF DEBTS OF CITY
	)	OF STOCKTON, CALIFORNIA,
	)	DATED OCTOBER 10, 2013, AND
	)	SETTING CONFIRMATION
	)	PROCEDURES
	)	Date: November 18, 2013
	)	Time: 1:00 p.m.
	)	Dept: C, Courtroom 35
	)	Judge: Hon. Christopher M. Klein

1	Exhibit A	Correspondence to Marc A. Levinson, dated October 23, 2013.....	3
2	Exhibit B	Email Correspondences to and from Marc A. Levinson	
3		(October 23, 2013 – November 1, 2013)	10

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

EXHIBIT A

JONES DAY

555 CALIFORNIA STREET, FIFTIETH FLOOR • LOS ANGELES, CALIFORNIA 90071

TELEPHONE: +1.213.489.3939 • FACSIMILE: +1.213.243.2539

Direct Number: (213) 243-2431
jjohnston@jonesday.com

October 23, 2013

VIA ELECTRONIC MAIL

Marc A. Levinson, Esq.
Orrick, Herrington & Sutcliffe LLP
400 Capital Mall, Suite 3000
Sacramento, CA 95814-4497

**Re: *In re City of Stockton, California,*
Case No. 12-32118-C-9 (Bankr. E.D. Cal.)**

Dear Marc:

Reference is made to the *Disclosure Statement With Respect To Plan For The Adjustment Of Debts Of City Of Stockton, California (October 10, 2013)* [Docket No. 1134] (the “Disclosure Statement”) and accompanying *Motion For An Order Approving Disclosure Statement With Respect To Plan For The Adjustment Of Debts Of City Of Stockton, California, Dated October 10, 2013, And Setting Confirmation Procedures* [Docket No. 1137] (the “Solicitation Motion”), in which the City requested that creditors provide suggested Disclosure Statement revisions to you in advance of the November 7 deadline for formal objections.¹

Franklin is in the process of reviewing the Disclosure Statement and accompanying materials and reserves all rights with respect to disclosure objections. However, in the spirit of your request for early identification of disclosure issues, we note below a number of material deficiencies in the Disclosure Statement as currently drafted, and we ask that the City provide additional and corrected disclosures prior to the objection deadline in order to eliminate or minimize the areas of disagreement to be considered by the Bankruptcy Court. As discussed below, in order to promote an efficient process for litigation over confirmation of the Plan, we also suggest an early conference to discuss confirmation-related discovery and scheduling issues.

Disclosures Regarding Creditor Treatment. In several instances, the Disclosure Statement fails to provide any information, much less adequate information, regarding the value of distributions proposed to be made in respect of certain classes of claims. Without such information, the Disclosure Statement fails its most basic function, which is to inform each creditor of “what it is going to get, when it is going to get it, and what contingencies there are to

¹ Capitalized terms are as defined in the Disclosure Statement, the Solicitation Motion or the *Plan For The Adjustment Of Debts Of City Of Stockton, California (October 10, 2013)* [Docket No. 1133] (the “Plan”), as applicable.

Marc A. Levinson, Esq.
 October 23, 2013
 Page 2

its distribution.” *In re Ferretti*, 128 B.R. 16, 19 (Bankr. D.N.H. 1991); *see, e.g., In re Prudential Energy Co.*, 58 B.R. 857, 868 (Bankr. S.D.N.Y. 1986) (disclosure inadequate where it failed to identify “the value of the stock to be distributed”); *In re Ligon*, 50 B.R. 127, 130 (Bankr. M.D. Tenn. 1985) (“A description of available assets and their value is a vital element of necessary disclosure.”); *In re Polytherm Industries, Inc.*, 33 B.R. 823, 830 (Bankr. W.D. Wis. 1983) (disclosure inadequate where it failed to provide a “present value analysis of proposed payments to creditors”). Specifically:

1. **2007 Office Building Bonds.** Under the Plan, in satisfaction of all Office Building Claims of the 2007 Office Building Bond Trustee/Assured Guarantee, “[t]he City will transfer fee title in the 400 E. Main Office Building Property to Assured Guaranty or its designee at Assured Guaranty’s election, subject to the New 400 E. Main Lease.”² The Disclosure Statement, however, provides no information respect to the *value* of the 400 E. Main Office Building Property, as encumbered by the New 400 E. Main Lease. As a result, creditors have no information with which to ascertain the extent of recovery on the Office Building Claims of the 2007 Office Building Bond Trustee/Assured Guarantee, which purportedly exceed \$40 million.

2. **2004 Parking Bonds.** Under the Plan, in satisfaction of all Parking Structure Claims of the 2004 Parking Bond Trustee/NPFG, (a) the City will “create a new parking authority for the City that will be comprised of the Parking Structure Properties plus other downtown parking structures and lots, and downtown parking meters and parking enforcement revenues”; and (b) the new parking authority will pledge its revenues to the 2004 Parking Bonds Trustee “in support of a new schedule of installment payments to NPFG.”³

Here again, the Disclosure Statement provides no information regarding the *value* of the property the City proposes to distribute in satisfaction of the Parking Structure Claims of the 2004 Parking Bond Trustee/NPFG, which purportedly exceed \$30 million. In particular, the City fails to disclose any information regarding the historical and projected future revenues received in respect of the Parking Structure Properties and the “other downtown parking structures and lots, and downtown parking meters and parking enforcement revenues” (the “New Parking Revenue”) to be pledged to the 2004 Parking Bonds Trustee. Information regarding the New Parking Revenue is highly relevant given that neither the 2004 Parking Bonds Trustee nor NPFG currently has any rights to such additional revenue.

3. **SPOA Claims.** Under the Plan, the City (a) allows the Claims of SPOA members in respect of the 2009 MOU, which “[t]he City disputes . . . and contends that the Claims would not be allowed in the chapter 9 case,” in the amount of \$8.5 million; and (b) proposes to satisfy those previously-disputed claims by providing each applicable SPOA member with 44 hours of

² Disclosure Statement at 5, 53, 70-71.

³ *Id.* at 4, 46, 69.

Marc A. Levinson, Esq.
 October 23, 2013
 Page 3

additional paid leave.⁴ The Disclosure Statement, however, provides no information about the basis for allowance of claims that the City contends “would not be allowed in the chapter 9 case,” nor any information regarding the proposed allowed amount of \$8.5 million. Further, the Disclosure Statement again is silent as to the *value* of the consideration proposed to be distributed to holders of the SPOA Claims, meaning that creditors are unable to ascertain the extent of recovery on those claims.

Financial Projections. The financial projections intended to establish the feasibility of the Plan, in the form of the Long Range Financial Plan of City of Stockton attached as Exhibit B to the Disclosure Statement (the “Projections”), are inadequate in several ways:

1. **Plan liabilities.** To start, the Projections apparently do not reflect the City’s obligations under the Plan. Rather, the Projections appear to model the “savings proposed under the original AB 506 process,”⁵ which differ materially from the payments to be made by the City under the Plan. The Projections also contradict themselves, as elsewhere they seem to indicate that the “debt reduction” line item reflects the proposed treatment of creditors under the Plan.⁶ To make matters worse, the figures in Table 5 of the summary of the Projections, which purports to show “total restructuring savings,” conflict with the actual projected “total restructuring” savings in the Projections themselves.⁷

As the Disclosure Statement notes, “[t]o satisfy the requirement set forth in section 943(b)(7) that the Plan be feasible, the City must demonstrate the ability to make the payments required under the Plan”⁸ See, e.g., *In re Ferguson*, 474 B.R. 466, 476 (Bankr. D.S.C. 2012) (disclosure inadequate where it failed to “include any projections relating to the future tax liability of either the Debtor or his business”); *In re Hirt*, 97 B.R. 981, 982 (Bankr. E.D. Wis. 1989) (disclosure inadequate where there was “a lack of detail as to assets and liabilities”). The Projections simply do not accomplish this.⁹

2. **Misleading presentation.** The Projections also are presented in a misleading manner. In particular, the Projections first present as *ongoing* expenses all of the City’s existing *prepetition* liabilities, including the City’s general fund bond debt and payments in respect of retiree health benefits. Then, under the heading “Restructuring”, the Projections set forth line

⁴ *Id.* at 10, 77-78.

⁵ Projections at 1.

⁶ *Id.* at 14.

⁷ Compare Projections at 21 with Projections at 24, line 118.

⁸ Disclosure Statement at 87.

⁹ Franklin intends to seek discovery with respect to the Projections, among other things, in connection with proceedings relating to confirmation of the Plan.

Marc A. Levinson, Esq.
October 23, 2013
Page 4

items for “Debt Reductions” and “Retiree Medical Reductions” that back out the portion of those expenses that the City proposes to discharge.¹⁰ Confusingly, the “Restructuring” heading also lumps new revenue items (Measure A, fees, sales of surplus property) with various reductions in expenses included elsewhere as ongoing projected liabilities of the City (bond debt, retiree medical, efficiencies, alternative service delivery, other). It is simply impossible to determine from the Projections the actual nature and extent of the City’s projected post-confirmation revenues expenses.

What is needed is a straightforward projection of the City’s post-confirmation revenues compared against its post-confirmation expenses. *In re Malek*, 35 B.R. 443, 444 (Bankr. E.D. Mich. 1983) (“The Debtor should provide the projection of operations subsequent to confirmation so that the Court may determine the feasibility of the plan. The Debtor is required to make a full, clear, and complete disclosure of all underlying assumptions.”). If the City desires to demonstrate the savings it allegedly has achieved through the bankruptcy process, it should do so elsewhere in the Disclosure Statement and not in Projections presented to establish the feasibility of the Plan.

The 2009 Golf Course/Park Bonds.

1. **Impact of Franklin’s adversary proceeding.** As you know, Franklin has initiated an adversary proceeding that, among other things, seeks (a) a declaration that the so-called “Golf Course/Park Lease Out” and “Golf Course/Park Lease Back” are not unexpired leases of nonresidential real property within the meaning of sections 365 and 502(b)(6) of the Bankruptcy Code; (b) valuation of the collateral securing the Golf Course/Park Claims of the 2009 Golf Course/Park Bond Trustee/Franklin; and (c) alternatively, a claim for administrative rent under the “Golf Course/Park Lease Back.”

The Plan is premised on the rejection of the “Golf Course/Park Lease Out” and “Golf Course/Park Lease Back” and the limitation of the Golf Course/Park Claims of the 2009 Golf Course/Park Bond Trustee/Franklin to a maximum of three years of “rent” pursuant to section 502(b)(6) of the Bankruptcy Code, without payment of any administrative rent. The Plan does not account for the allowance of those claims in the full uncapped amount, the allowance of any secured portion of those claims, or the allowance and payment of administrative rent. The Disclosure Statement should disclose the existence of Franklin’s adversary proceeding and address the impact of a judgment adverse to the City, resulting in some or all of the relief sought by Franklin, on the confirmation and feasibility of the Plan.

2. **Possession of the Golf Course/Park Properties.** The Disclosure Statement states, without further explanation, that “the City may contest or attempt to impose conditions

¹⁰ Either as part of the AB 506 process or through the Plan. See point 1, above.

Marc A. Levinson, Esq.
October 23, 2013
Page 5

upon” continued possession of the Golf Course/Park Properties by the 2009 Golf Course/Park Bond Trustee and Franklin.¹¹ To the extent that the City asserts that there exist conditions or limitations on such possession other than as set forth in the documents governing the 2009 Golf Course/Park Bonds, the City should specify those alleged conditions and limitations and the grounds for the City’s assertion in this regard. Otherwise, the City’s statement that it may contest or attempt to impose limitations on continued possession of the Golf Course/Park Properties is misleading, as it offers creditors and other constituents false hope that Franklin and the 2009 Golf Course/Park Bond Trustee will be unable to take possession or otherwise exercise their remedies under the operative documents.

Miscellaneous.

1. **Form of Confirmation Notice and Ballot.** The Solicitation Motion seeks approval of various notice procedures related to the Confirmation Hearing, including the approval of the form of Confirmation Notice and form of ballot. The Solicitation Motion, however, does not attach a form of Confirmation Notice, nor does it indicate that a form of notice will be submitted or shared with parties in interest prior to the hearing on the Solicitation Motion. Regarding the form of ballot, the City has “propose[d] to use Official Form No. 14 as the ballot model for all creditors entitled to vote” and to “seek input from other parties . . . regarding the proposed form of ballot before submitting it for the Court’s approval,”¹² but no form of ballot has been filed or shared to date. Please provide us with your proposed forms immediately.

2. **Deadline for confirmation objections.** The Solicitation Motion assumes that the Disclosure Statement will be approved by the Bankruptcy Court on November 18 and seeks approval of a confirmation schedule based upon that date. Under the proposed schedule, the City contemplates that objections to confirmation of the Plan would be due on or around December 30, 2013,¹³ right between the Christmas and New Year holidays. Given the holidays and contested nature of confirmation, this is not a reasonable deadline. Subject to an agreed discovery and pre-trial schedule (see below), a more realistic deadline would be the middle of January.

3. **Confirmation-related discovery.** As you know, Franklin contests the treatment of its claims proposed in the Plan and intends to object to confirmation. Given the tight deadlines that the City seeks to achieve by the Solicitation Motion, we would like to set up a time in the next week to meet and confer with you regarding a schedule for confirmation-related

¹¹ Disclosure Statement at 59.

¹² Solicitation Motion at 7

¹³ *Id.* at 5-6.

JONES DAY

Marc A. Levinson, Esq.
October 23, 2013
Page 6

discovery and pre-trial matters. Further, a discovery conference in Franklin's pending adversary proceeding against the City must occur by November 13, 2013. We propose to cover both sets of discovery in our conference in order to make the process as efficient and economical as possible. Please let me know a date and time that would work for you.

We look forward to hearing from you.

Sincerely,



James O. Johnston

cc: William W. Kannel, Esq.
Joshua D. Morse, Esq.

EXHIBIT B



Subject: Re: Stockton/Franklin -- Follow-up re a call on Wednesday or Thursday afternoon?

From: Levinson, Marc A.

11/02/2013 01:34 PM

To: James O Johnston

Cc: "awalker@mintz.com", "Kannel, Bill" , Joshua D Morse, "Hermann, Jeffery D.", "Knox, John H."

From: "Levinson, Marc A." <MALEVINSON@Orrick.com>

To: James O Johnston <jjohnston@jonesday.com> ,

Cc: "awalker@mintz.com" <awalker@mintz.com>, "Kannel, Bill" <Wkannel@mintz.com>, Joshua D Morse <jmorse@jonesday.com>, "Hermann, Jeffery D." <jhermann@orrick.com>, "Knox, John H." <jknox@orrick.com>

Your letter and the timing thereof are appreciated, and we will make some changes because of it. But I doubt that the changes the City will make will totally satisfy Franklin.

Sent from my iPhone

On Nov 2, 2013, at 4:21 PM, "James O Johnston" <jjohnston@jonesday.com> wrote:

>
> Your choice Marc. As requested in the Motion, we outlined various
> Disclosure Statement inadequacies in our letter, sent more than two weeks
> before the objection deadline, in order to assist the City in its "goal to
> accommodate as many changes as possible in any revised versions" of the
> Plan and Disclosure Statement. If the City has decided that it does not
> want to work to address our objections before the objection deadline, we'll
> file our objection and have Judge Klein decide the matter.

>
>
>
> Jim Johnston
> jjohnston@jonesday.com
> (213) 243-2431
>

> ***This e-mail (including any attachments) may contain information that is
> private, confidential, or protected by attorney-client or other privilege.
> If you received this e-mail in error, please delete it from your system
> without copying it and notify sender by reply e-mail, so that our records
> can be corrected.***
>

> ----- Original Message -----
>

> From : "Levinson, Marc A." <MALEVINSON@Orrick.com>
> To : James O Johnston <jjohnston@jonesday.com>
> Cc : "awalker@mintz.com" <awalker@mintz.com>, "Kannel, Bill"
> <Wkannel@mintz.com>, Joshua D Morse <jmorse@jonesday.com>, "Hermann,
> Jeffery D." <jhermann@orrick.com>, "Knox, John H." <jknox@orrick.com>
> Sent on : 11/02 04:10:28 PM EDT
> Subject : Stockton/Franklin -- Follow-up re a call on Wednesday or Thursday
> afternoon?
>

> Thanks, Jim. Let's wait to here from the others about the timing of the
> call. My preference is for early Wednesday afternoon. My assumption is that

> most of the call will be devoted to the adversary and related discovery and
> timing issues. I'm not inclined to give Franklin any additional time to
> object to a disclosure statement that has provided it more than adequate
> information to know that it's going to vote no on the plan. But I'll think
> on it.
>
> Marc
>
> Sent from my iPhone
>
> On Nov 2, 2013, at 3:39 PM, "James O Johnston" <jjohnston@jonesday.com>
> wrote:
>
>
>>
>> Thanks. Thursday afternoon, any time, is better for me, but I can make
>> Wednesday afternoon until 3:45 work if need be.
>>
>> Thursday is objection deadline for the Disclosure Statement and
>> accompanying Procedures Motion. I ask that you extend the deadline for
> us
>> until Monday (the 11th) so that we can have a productive discussion and
>> hopefully resolve some or all of our issues. Please let me know as soon
> as
>> possible.
>>
>> Jim
>>
>>
>>
>> Jim Johnston
>> jjohnston@jonesday.com
>> (213) 243-2431
>>
>> ***This e-mail (including any attachments) may contain information that
> is
>> private, confidential, or protected by attorney-client or other
> privilege.
>> If you received this e-mail in error, please delete it from your system
>> without copying it and notify sender by reply e-mail, so that our records
>> can be corrected.***
>>
>>
>> ----- Original Message -----
>>
>> From : "Levinson, Marc A." <MALEVINSON@Orrick.com>
>> To : James O Johnston <jjohnston@jonesday.com>
>> Cc : "awalker@mintz.com" <awalker@mintz.com>, "Kannel, Bill"
>> <Wkannel@mintz.com>, Joshua D Morse <jmorse@jonesday.com>, "Hermann,
>> Jeffery D." <jhermann@orrick.com>, "Knox, John H." <jknox@orrick.com>
>> Sent on : 11/02 03:15:20 PM EDT
>> Subject : Stockton/Franklin -- Call on Wednesday or Thursday afternoon?
>>
>>
>>
>> Thanks for following up. How about scheduling a call for the early
>> afternoon on Wednesday or Thursday? I suggest that we reserve a hour for
>> the call. I'm copying John and Jeff, asking them to weigh in with their
>> availability, too.
>>
>>

```

>>
>> From: James O Johnston [mailto:jjohnston@jonesday.com]
>> Sent: Wednesday, October 30, 2013 9:47 AM
>> To: Levinson, Marc A.
>> Cc: awalker@mintz.com; Kannel, Bill; Joshua D Morse
>> Subject: Re: Stockton
>>
>>
>>
>> Marc:
>>
>> Following up on my letter of October 23, please let us know a convenient
>> time to discuss discovery and scheduling for confirmation and the
> adversary
>> proceeding.
>>
>> Thank you.
>>
>> Jim
>> |-----+-----+-----|
>> | (Embedded image | (Embedded | James O. Johnston |
>> | moved to file: | image moved |
>> | pic06459.gif) | to file: |
>> | | pic20643.gif | 555 South Flower Street • |
>> | | | f) | Fiftieth Floor • Los |
>> | | | | Angeles, CA 90071 |
>> | | | | DIRECT 213.243.2431 • FAX |
>> | | | | 213.243.2539 • |
>> | | | | jjohnston@jonesday.com |
>> |-----+-----+-----|
>> |-----+-----+-----|
>> | From: | James O Johnston/JonesDay |
>> |-----+-----+-----|
>> | To: | "Levinson, Marc A." <MALEVINSON@Orrick.com>, |
>> |-----+-----+-----|
>> | Cc: | "Kannel, Bill" <Wkannel@mintz.com>, Joshua D |
>> | | Morse/JonesDay@JONESDAY, "awalker@mintz.com" < |
>> | | awalker@mintz.com> |
>> |-----+-----+-----|
>> | Date: | 10/23/2013 11:29 AM |
>> |-----+-----+-----|
>> | Subject: | Stockton |
>> |-----+-----+-----|
>>
>>
>>
>>
>>

```

```

>>
>>
>>
>>
>>
>>
>>
>>
>> Marc:
>>
>> Please see the attached letter regarding disclosure issues and
> scheduling.
>>
>>
>> Thank you.
>>
>> Jim
>>
>> [attachment "Oct 23 letter.pdf" deleted by James O Johnston/JonesDay]
>> |-----+-----+-----|
>> | (Embedded image | (Embedded | James O. Johnston |
>> | moved to file: | image moved | |
>> | pic16840.gif) | to file: | |
>> | | | pic27633.gif | 555 South Flower Street • |
>> | | | f) | Fiftieth Floor • Los |
>> | | | | Angeles, CA 90071 |
>> | | | | DIRECT 213.243.2431 • FAX |
>> | | | | 213.243.2539 • |
>> | | | | jjohnston@jonesday.com |
>> |-----+-----+-----|
>>
>>
>>
>>
>>
>> =====
>> This e-mail (including any attachments) may contain information that is
>> private, confidential, or protected by attorney-client or other
> privilege.
>> If you received this e-mail in error, please delete it from your system
>> without copying it and notify sender by reply e-mail, so that our records
>> can be corrected.
>> =====
>>
>>
>>
>>
>> =====
>> This e-mail (including any attachments) may contain information that is
>> private, confidential, or protected by attorney-client or other
> privilege.
>> If you received this e-mail in error, please delete it from your system
>> without copying it and notify sender by reply e-mail, so that our records
>> can be corrected.
>> =====

```

```

>> =====
>> IRS Circular 230 disclosure: To ensure compliance with requirements
>> imposed by the IRS, we inform you that any tax advice contained in this
>> communication, unless expressly stated otherwise, was not intended or
>> written to be used, and cannot be used, for the purpose of (i) avoiding
>> tax-related penalties under the Internal Revenue Code or (ii) promoting,
>> marketing or recommending to another party any tax-related matter(s)
>> addressed herein.
>> =====
>> NOTICE TO RECIPIENT: THIS E-MAIL IS MEANT FOR ONLY
>> THE INTENDED RECIPIENT OF THE TRANSMISSION, AND
>> MAY BE A COMMUNICATION PRIVILEGED BY LAW. IF YOU
>> RECEIVED THIS E- MAIL IN ERROR, ANY REVIEW, USE,
>> DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS
>> E-MAIL IS STRICTLY PROHIBITED. PLEASE NOTIFY US
>> IMMEDIATELY OF THE ERROR BY RETURN E-MAIL AND
>> PLEASE DELETE THIS MESSAGE FROM YOUR SYSTEM.
>> THANK YOU IN ADVANCE FOR YOUR COOPERATION.
>> For more information about Orrick, please visit http://www.orrick.com/
>> =====
>> <pic06459.gif>
>> <pic20643.gif>
>> <pic16840.gif>
>> <pic27633.gif>
> =====
> IRS Circular 230 disclosure: To ensure compliance with requirements
> imposed by the IRS, we inform you that any tax advice contained in this
> communication, unless expressly stated otherwise, was not intended or
> written to be used, and cannot be used, for the purpose of (i) avoiding
> tax-related penalties under the Internal Revenue Code or (ii) promoting,
> marketing or recommending to another party any tax-related matter(s)
> addressed herein.
> =====
> NOTICE TO RECIPIENT: THIS E-MAIL IS MEANT FOR ONLY
> THE INTENDED RECIPIENT OF THE TRANSMISSION, AND
> MAY BE A COMMUNICATION PRIVILEGED BY LAW. IF YOU
> RECEIVED THIS E- MAIL IN ERROR, ANY REVIEW, USE,
> DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS
> E-MAIL IS STRICTLY PROHIBITED. PLEASE NOTIFY US
> IMMEDIATELY OF THE ERROR BY RETURN E-MAIL AND
> PLEASE DELETE THIS MESSAGE FROM YOUR SYSTEM.
> THANK YOU IN ADVANCE FOR YOUR COOPERATION.
> For more information about Orrick, please visit
> http://www.orrick.com/<http://www.orrick.com/>
> =====
=====
IRS Circular 230 disclosure: To ensure compliance with requirements
imposed by the IRS, we inform you that any tax advice contained in this
communication, unless expressly stated otherwise, was not intended or
written to be used, and cannot be used, for the purpose of (i) avoiding
tax-related penalties under the Internal Revenue Code or (ii) promoting,
marketing or recommending to another party any tax-related matter(s)
addressed herein.
=====
NOTICE TO RECIPIENT: THIS E-MAIL IS MEANT FOR ONLY
THE INTENDED RECIPIENT OF THE TRANSMISSION, AND
MAY BE A COMMUNICATION PRIVILEGED BY LAW. IF YOU
RECEIVED THIS E- MAIL IN ERROR, ANY REVIEW, USE,
DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS
E-MAIL IS STRICTLY PROHIBITED. PLEASE NOTIFY US

```

IMMEDIATELY OF THE ERROR BY RETURN E-MAIL AND
PLEASE DELETE THIS MESSAGE FROM YOUR SYSTEM.
THANK YOU IN ADVANCE FOR YOUR COOPERATION.
For more information about Orrick, please visit <http://www.orrick.com/><
<http://www.orrick.com>>
=====